



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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October 19, 1994

Max J. Reynolds, VP Operations  
Great Salt Lake Minerals Corp.  
765 North 10500 West  
Ogden, Utah 84404

Re: Reclamation Surety Update, Great Salt Lake Minerals Corp. (GSLM), Little Mountain Plant, M/057/002, Weber County, Utah

Dear Mr. Reynolds:

The Division has completed the five year evaluation of the reclamation cost estimate for the Little Mountain Plant. The new surety amount to be posted with the Division is \$272,400. This amount is in terms of 1999 dollars and will not need to be revised until 1999 unless GSLM modifies the current mining and reclamation plan. A copy of the reclamation estimate showing the calculations used to arrive at this surety amount is enclosed. Please provide the Division with a surety for this amount within 45 days of your receipt of this letter.

A copy of our current Letter of Credit (LOC) form is enclosed for your use if you choose to replace your existing LOC with a new one. Our Board has requested all new sureties use our most current forms. If you or your financial institution have any questions or concerns with this new form please contact the Division. If you wish to replace the current LOC with a different form of surety please notify us so that we may provide you with the appropriate surety form.

In addition to the new surety, the Division will need a revised Reclamation Contract (Form MR-RC). A MR-RC form and guideline for it's completion are enclosed for your use. The current surety posted by GSLM will need to remain in place until the new surety amount is posted with the Division and approved by our Board.

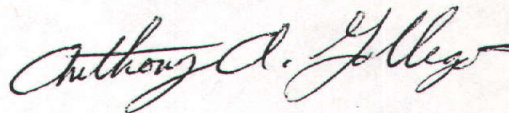
After we have received a new Reclamation Contract and surety for the revised amount we will present them to our Board for approval at the next scheduled Board Meeting. After the surety is approved we will provide you with copies of the executed documents. If you



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have any questions regarding the items discussed in this letter please contact me or Wayne Hedberg at the Division.

Sincerely,



Anthony A. Gallegos  
Senior Reclamation Specialist

jb

Enclosures: (1) reclamation est. (2) LOC form (3) MR-RC form & guideline

cc: Ms. Chris Hockersmith, GSLM - Kansas Office w/encl (#2)

Wayne Hedberg, DOGM (route)

M57-02UP.SUR

*8300 College Blvd  
Overland Park KS 66210  
(913) 344-9245*



# RECLAMATION ESTIMATE

Great Salt Lake Minerals Corporation

Little Mountain Plant

M/057/002

filename M57-02-4.WQ1

last revision

10/19/94

Weber County

Prepared by Utah State Division of Oil, Gas & Mining

## Reclamation Details

- Site includes approximately 51,000 acres of evaporation ponds, 500 acres of plant operations, and approximately 162.6 acres of borrow areas.
- Reclamation of pond system by selective breaching of dikes & natural wave erosion.
- Reclamation of plant operations is general cleanup only -POST MINE USE.
- Borrow pits to be regraded & reseeded, except Strongs Knob(no reclamation).
- Borrow sites and acreages: Borrow #1 (37), Borrow #2 (3), Borrow #4 (3), Borrow #5 (3), Little Mtn. North (22), Little Mtn. South (72), Strongs Knob (22.6).
- One borrow site requires fencing above highwall.Strongs knob highwall <45 degrees.
- Strongs Knob to Finger Point dike to be breached once every mile.
- All structures at Finger Point pump station to be removed.
- Access road across lake bed to be breached once every 0.5 mile.
- 22.6 acres at Strong's Knob borrow do not require reclamation.
- Borrow site #1 had 37 acres covered with water in 1991.
- Total disturbed acreage(pond system, dikes & plant not included) = 162.6 acres
- Total disturbance to be reclaimed = 140.0 acres

Description	Amount	\$/unit	\$	
Plant site cleanup	lump sum	21,821	21,821	(a)
Breach dikes	10 each	1,309	13,090	(a)
Remove wood structures & pumps	lump sum	65,463	65,463	(a)
Install highwall fencing	200 LF	16	3,200	(a)
Regrade borrow areas	140.0 acre	196	27,440	(a)
Reseed borrow areas	140.0 acre	382	53,480	(a)
Breach Strongs Knob road	2 each	1,333	2,666	(b)
Breach Finger Point dike	8 each	1,333	10,664	(b)
Remove Finger Point pump station	lump sum	21,383	21,383	(b)
Mobilization	5 equip	1,000	5,000	
subtotal			224,207	
Add 10% contingency			22,421	
Total in 1994 \$			246,628	
Escalation for 5 years @ 2.01%			25,803	
Total in 1999 \$			272,430	
<b>Rounded total in 1999 \$</b>			<b>\$272,400</b>	

Average cost/disturbed acre = \$1,675

(a) this \$/unit amount was escalated from 1989 to 1994 dollars

(b) this \$/unit amount was escalated from 1991 to 1994 dollars